

Free Care

Number 1/March 1999

Answering your questions about the
Massachusetts Uncompensated Care Pool

Notes

This newsletter is intended to answer questions about Free Care eligibility, and to help hospitals and community health centers understand the new regulation, 114.6 CMR 10.00. If you have questions about free care eligibility, please contact the Division of Health Care Finance and Policy at 617-988-3222.

Credit and Collection Policy Reviews

The Division of Health Care Finance and Policy (DHCFP) Audit, Compliance, and Evaluation Group is currently in the process of conducting a detailed review of board-approved credit and collection policies for hospitals and community health centers. This review is being conducted to ensure both that the policies are in compliance with the requirements of regulation 114.6 CMR 10.00 and that providers are implementing the free care eligibility process correctly. DHCFP will notify providers directly in writing with a detailed list of any revisions or amendments that need to be made. Providers are expected to resubmit their revised policies to the Division once all corrections have been made. If you have any questions about this process, please contact the DHCFP at (617) 988-3100.

Emergency and Urgent Care

Regulation 114.6 CMR 10.00 defines both emergency and urgent care. These definitions must guide providers' emergency and urgent care classifications. Key points to remember about the definitions are that:

- both require a sudden onset of symptoms,
- conditions requiring emergency care necessitate immediate treatment, and
- conditions requiring urgent care must be treated within 24 hours.

In general, these definitions do not include scheduled or elective procedures or treatments. Both emergency and urgent care may be provided in locations other than the emergency room of a hospital.

Deceased Applicants

A family member, power-of-attorney, executor, or other person with close knowledge of the deceased person's circumstances can apply for free care on behalf of the deceased person. In these cases, the provider must investigate whether the deceased person has an estate, document the results of this investigation and include the results with the free care application. If there is an estate, the provider is expected to attach the estate before billing the deceased person's expenses to the Uncompensated Care Pool. If there is no estate, the provider must document this with an affidavit from the person applying for free care on behalf of the deceased person. The provider must also obtain appropriate residency documentation for the deceased applicant.

Free Care after Bad Debt Write-Off

Providers can bill old accounts to the Uncompensated Care Pool (older than one year for hospitals, older than 90 days for CHCs) if they can document continuous collection action or regular patient payments during the intervening time [see 114.6 CMR 10.04(5)]. The collection activities conducted by a collection agency are considered collection action (see 114.6 CMR 10.02 for the DHCFP definition of "collection action"). If, for example, a patient has an outstanding account from August 1997 and is still receiving letters from a collection agency regarding this account, he or she must be allowed to apply for free care. As long as the collection action can be documented, the account may be billed to the Pool.

Minor Dependents

Administrative Bulletin 99-01 clarified the DHCFP definition of a minor dependent: an individual is a minor dependent up until age 18. Once an individual turns 18, he or she is considered an adult and would apply separately for free care. The DHCFP definition of a minor dependent has nothing to do with whether he or she is claimed as a dependent on his or her parents' tax return.

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Division of Health Care
Finance and Policy

1999 Federal Poverty Income Guidelines

Family Size	200%	250%	300%	350%	400%
1	\$16,480	\$20,600	\$24,720	\$28,840	\$32,960
2	\$22,120	\$27,650	\$33,180	\$38,710	\$44,240
3	\$27,760	\$34,700	\$41,640	\$48,580	\$55,520
4	\$33,400	\$41,750	\$50,100	\$58,450	\$66,800
5	\$39,040	\$48,800	\$58,560	\$68,320	\$78,080
6	\$44,680	\$55,850	\$67,020	\$78,190	\$89,360
7	\$50,320	\$62,900	\$75,480	\$88,060	\$100,640
8	\$55,960	\$69,950	\$83,940	\$97,930	\$111,920
Each additional person	add \$5,640	add \$7,050	add \$8,460	add \$9,870	add \$11,280

Free Care Notes
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 **Are you the correct contact person at your site for this information? Are your name and address correct?**
Please note any changes directly on this label and send to the address above or fax to Dorothy Barron at (617) 727-7662.

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Free Care Application Forms

Providers should no longer be receiving “old” applications. All providers have been using the “new” standard application forms since October 1, 1998. Chinese, Haitian Creole, Khmer, Portuguese and Spanish translations of the application forms have been distributed. These translations are also available at the DHCFP web site: www.state.ma.us/dhcfp. Translations are also planned for Cape Verdean and Vietnamese. Translations will be distributed as they become available.

What do I need to know about the new 1999 Federal Poverty Income Guidelines?

- 1999 Federal Poverty Income Guidelines are effective March 18, 1999.
- Providers may begin using these guidelines immediately to calculate free care eligibility.
- All providers must be using the new 1999 guidelines by May 17, 1999.
- DHCFP strongly recommends not including specific income guidelines on signs and notices used to inform patients of the availability of financial assistance because such notices may be a barrier to patients who are deciding whether to apply for free care and other programs.
- 1999 Federal Poverty Income Guidelines are included on the flap below.